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## Unifying U.S. Policy on Japan

by Patrick M. Cronin and Ezra F. Vogel

### Conclusions

- The U.S.-Japan relationship may be the most important bilateral relationship in the world.
- But the strains of acrimonious trade negotiations and troubles related to U.S. bases in Okinawa have reduced public support on both sides for a strengthened security relationship.
- So the United States must develop an integrated and coherent strategy toward Japan (1) to encourage the Japanese to assume a more responsible *international* security position, (2) to discourage Japan from leaving a strong American alliance, and (3) to work with America in providing leadership in the Pacific and, by extension, throughout the world.

### Toward a New Joint Security Declaration

On the eve of a bilateral summit meeting, the furor over the alleged rape of a Japanese schoolgirl by American servicemen is catalyzing public scrutiny of the U.S. military forces in Japan. The U.S. government has issued high-level apologies and taken steps to prevent the recurrence of such incidents. If Japanese political leadership is reticent, the anti-U.S. base sentiment could become a larger anti-Mutual Security Treaty movement. Although U.S. Armed Forces will have to show increased awareness of their impact on local communities, the fact remains that much of the Okinawan opposition is actually aimed at the Government of Japan in Tokyo. A more basic structural issue concerns economic disputes and the need to balance and integrate economic and security interests and policies.

Barring a last-minute crisis, the President of the United States and the Prime Minister of Japan will issue a joint security declaration in Tokyo in November, culminating a year of diligent alliance management by American defense officials. Yet only a few months ago, U.S. trade officials had been threatening economic sanctions, because of Japan's dilatory efforts to open its markets to the outside world and lower its record trade surplus with the United States. The acrimony arising from those trade negotiations has raised three questions:

- (1) Will Americans and Japanese continue to support a defense relationship despite strained trade disputes?
- (2) Will Japan maintain confidence in the relationship even as leading American editorial writers and academics disparage public support for it or advocate using it as a bargaining chip to strengthen leverage

in trade negotiations?

(3) Will Americans support the alliance despite Japanese reluctance to open their markets further or to risk deploying their military forces to danger zones?

During the Cold War, the U.S. government built a fire wall between trade and security issues that prevented trade disputes from interfering with the bedrock security relationship. That fire wall has disappeared, and both Democratic and Republican presidents have had trouble setting clear guidelines to balance security and economic interests.

The problem of balancing U.S. economic and security interests with Japan is far more acute and involves much higher stakes than with other nations. Japan has the second largest economy in the world. Calculated at 100 yen to the dollar, Japan's GNP last year was roughly \$5 trillion to America's \$7 trillion. While GNP may not be an accurate measure of the purchasing power of the Japanese people, it is a good indicator of the nation's capacity to buy things around the world. Former Ambassador Mike Mansfield's conclusion, "The U.S.-Japan relationship is the most important bilateral relationship in the world," has been ratified by recent developments. If the two wealthiest democracies--which share many common interests in regional and global affairs--cannot align their policies, then one wonders how the international community can avoid slipping into Hobbesian anarchy. The United States must produce an integrated strategy toward Japan and devise appropriate policies and political structures to realize it.

The following discussion argues against coercive linkage and suggests a four-part plan for comprehensive management of the U.S.-Japanese relationship. It advances a strategy that would encourage Japan to accept more responsibility for the course of international affairs, and to become a stalwart participant in and defender of an open, free-trading system. And it would assure U.S. cooperation with Japan to achieve its announced goals of playing a broader role in reinforcing regional and global stability.

Such a strategy will not be easy to implement. Japan is now ruled by a fragile political coalition that makes it difficult to take bold initiatives, and internal cleavages over how many of its troops Japan should contribute to resolve international conflicts run deep. But the failure to enunciate a lucid overall strategic approach perpetuates an ambiguity that erodes confidence in American leadership and invites the dismantling of the existing system without offering a palatable or realistic alternative. As Asian nations grow stronger economically, politically, and militarily, American leaders must grasp the significance of an integrated and consistent strategy toward Japan, not just for the results it can produce *vis-à-vis* Japan itself, but for the impact such a policy can have on America's standing throughout the region.

### **The Case Against Coercive Linkage**

Critics of American policy who have called for ending the presence of U.S. troops and bases in East Asia, particularly in Japan and South Korea, give a false impression to some in Asia that Washington could soon abandon or fundamentally decrease its commitments to stability in Asia. Ted Carpenter of the Cato Institute has been the most vocal advocate of such a retrenchment. Earlier this year, in the pages of *Foreign Affairs*, Chalmers Johnson urged bartering U.S. security assets for entry into Japanese markets and maintaining Japan in a "protectorate status." The Asian scholar argued that maintaining a U.S. commitment to Japan and other countries of the region is an anachronistic strategy that provides America's chief economic competitors a free ride on defense. In addition, Thomas Friedman of *The New York Times* has indirectly criticized the ongoing U.S.-Japan Security Dialogue by referring to "brain

dead" Pentagon officials who persist in pursuing strong security ties despite trade frictions.

These and other detractors favor reversing the Cold War paradigm by placing economic competition first in the relationship and giving short shrift to security concerns. Unfortunately, their approach could jeopardize America's bilateral alliance with Japan, regional stability, and U.S. regional influence. Clarity of policy must not come at the expense of national interests.

The notion of leveraging our security clout for economic advantage plays into the hands of Japanese proponents of a military capability independent of the United States. They believe that the United States is a rapidly declining great power, beset by domestic ills, a huge deficit, glaring trade problems, and a slashed defense budget. They view the abrupt U.S. withdrawal from the Philippines as presaging a regional withdrawal of America's military force. They caused the authors of a blue-ribbon panel report to the prime minister to recommend hedging their defense options in a new defense outline. Although the August 1994 report reiterated the centrality of the bilateral alliance, the scope given Japan's autonomous capabilities and multilateral forums had clearly been staked out.

A similar cycle occurred about 25 years ago in the waning days of the Vietnam War, after President Nixon had enunciated the Guam Doctrine calling for the U.S. military role be limited to nuclear, naval and air forces rather than troops on the ground. Some within Japan, including then-Defense Minister Yasuhiro Nakasone, seized the opportunity to press for a far more offensive and autonomous military capability. That movement failed, however, and even closer defense collaboration followed, as manifested in the 1976 National Defense Program Outline, the 1978 Defense Guidelines, and the 1981 commitment to emphasize the role of the Self-Defense Forces in patrolling sea lanes, air defense, and anti-submarine warfare surveillance and sanitization. In short, it produced defensive-oriented actions that supported U.S. military strategy in the event of a major war with the Soviet Union. Today, a policy of coercive linkage by the United States would support certain deleterious trends in Japan toward a military policy more independent of America *for fear that it could not rely upon the United States as a partner*. Although alliances are built on shared interests, not friendships, an effective security partnership requires a high degree of trust and commitment. Using the security relationship as leverage to gain economic concessions is likely to cause Japan to move away from the United States as a military partner. This would lead to polarization in Japanese politics. It would in turn limit U.S. influence in an increasingly powerful region of the world, trigger Japan's neighbors into enlarging their defense programs, stunt the growth of a more interdependent Pacific community, and actually undercut Japan's own security.

Some critics contend that the threat of withdrawal of American troops would force Japan to accept more responsibility for its own military affairs. But as Ambassador Hisahiko Okazaki has pointed out, when Japan has been most firmly engaged in an alliance with either Great Britain or the United States, it has reinforced democratic tendencies within Japan; but when it has acted independently of these alliances, it has reinforced powerful nationalistic, inward-looking trends. A threat of withdrawal of the American commitment to Japan could strengthen the forces of Japanese ultranationalism and trigger hostile reactions by China and other regional neighbors. So a withdrawal of American commitment is likely to further destabilize relations. A Japan detached from a strong American alliance is likely to intensify the rivalries between China and Japan and to accelerate the risk of an arms race in Northeast Asia. Few in Asia would see a rupture in the U.S.-Japan security alliance as anything else but the cessation of decades of stability and prosperity throughout the Asia-Pacific region.

It is unfair to characterize any commitment to retain American forces in Asia at their current levels as ossified, as some have done. The situation confronting America's former Cold War allies in Europe is dramatically different. In particular Germany, France, Britain, and other countries deal with a declining

Russia; moreover, they enjoy well-established and overlapping institutions and mechanisms for security cooperation, preventative diplomacy and crisis management. Japan and South Korea, as well as other U.S. allies in Southeast Asia and Oceania, however, face the uncertainty of an ascendant China while they have only fledgling regional or subregional security mechanisms. While the United States and Japan should not impose a new regional framework over the rest of Asia, no regional framework could emerge from the instability that would attend the end of this bilateral relationship.

Force presence is hardly obsolete for a second reason. During the Cold War, U.S. forward presence had been geared toward a Central Front contingency, with forces in Asia designed primarily to hold the line until forces in the Atlantic theater could "swing" to their assistance. Yet, U.S. force levels in Asia, ashore and afloat, after the Cold War have been reduced about one-third to approximately 100,000, including some 48,000 in Japan. Given that Asia will become the next century's political, economic, technological and possibly military locus of power, maintaining that forward presence is clearly in America's national interest. Because Japan offers unprecedented levels of assistance--some \$25 billion pledged in direct and indirect host nation support over the next 5 years--it is cheaper to keep our forces based in Japan than to bring them home. Dismantling them altogether might save money, but it would be a Pyrrhic victory in that America's influence in the region would fade at the very moment in history when the global center of gravity was shifting from the Atlantic to the Pacific and Indian Oceans.

The foregoing criticisms of the security relationship do not represent either mainstream U.S. views or support U.S. long-term interests. Nor do they reflect a realistic assessment of developments in Asia. The colossal Soviet submarine and air threat has receded. Now, issues such as North Korea, UN peacekeeping, the proliferation of weapons of mass destruction, and numerous border clashes are important security concerns.

### **Toward Comprehensive Management of the Japan Relationship**

Since 1945, Japan has achieved unprecedented economic growth and it has forged a growing global political role since 1989. Until Japan holds its first election under its new election rules (likely to occur early in 1996), it will be difficult for the Japanese government to take major steps to alter the overall international relationship and to make major changes in Japanese domestic policy. A well-integrated American strategy now could be effective if coordinated with Japanese officials, politicians, and opinion-makers to prepare for the time when a new government in Japan can make larger decisions. Such a strategy would rest on four pillars:

**1) *A high-level commitment to a positive overall bilateral relationship.*** This requires greater efforts by senior American leaders to understand Japan and a deeper effort at top levels to manage the overall relationship. The November summit is a positive step, but persistent and prolonged follow-through will be needed if the bilateral partnership is to fulfill its potential.

**2) *A reaffirmation of a broad bipartisan commitment to the relationship.*** Both major parties have a common interest in preserving Asian stability and prosperity, and that stability is in turn founded on the U.S.-Japan alliance. The level of financial commitment required to maintain that stability is relatively minor compared to the gains of maintaining stability. We cannot maintain the trust required for a security relationship by bargaining the security relationship as a lever in trade negotiations. Above all, the relationship should not become an issue for opportunistic politicians seeking high office.

**3) *A determination not to abstain from tough bargaining, including the threat of trade sanctions, when our trade interests require draconian efforts.*** As long as we maintain a firm overall relationship

with Japan we can afford to be forthright in our pursuit of specific trade goals. At the same time, more consideration needs to be given about how to work with allies in Japan and to formulate our position on trade matters so that it strengthens our base of support for our position in Japan. We need to devote more resources to monitoring the results of earlier trade agreements as a basis for pressuring for implementation. We need to devote a higher proportion of our activities, as Australia and South Korea do, to market development and positive trade promotion in Japan. We also need closer coordination between our efforts to open markets and promote trade.

**4) A decision to reorganize the management of relations with Japan.** During the latter decades of the Cold War, external policy was made by the State Department or the National Security Council. Post-Cold War confusion has led to the bifurcation of U.S. defense and economic policies, and the State Department has not been granted a crystalline mandate to adjudicate differences among Executive Branch agencies. One solution would be for an expanded National Security Council that deals with comprehensive military and economic security. For the president to preside over a less ambiguous U.S. foreign policy either on Japan or any other country, it is essential to have an overriding body--whether in the White House or the State Department--that can make overall policy and resolve competing government priorities.

The overall goal of America's Japan policy should be to encourage the world's second largest economy to continue to play an important role in maintaining the security of Asia, providing aid and assistance to developing countries, and strengthening international and multilateral institutions. A unified U.S. strategy toward Japan will have a more realistic chance of achieving these objectives than the conflicting approaches that have heretofore marked U.S. post-Cold War policy.

#### **Recommendations**

- The United States should resist any temptation to end the U.S. military presence in Japan and Korea or barter U.S. security assets for entry into Japanese markets.
- The United States should enunciate a strategy clear and coherent enough that Japan might choose to abandon any hedging strategy that anticipates a dwindling U.S. commitment in the region.
- The new strategy requires a bipartisan, long-term commitment free of momentary political ambition.
- The new strategy requires a more powerful State Department or an expanded National Security Council with the authority to resolve policy differences among competing government agencies and speak with one unambiguous voice on the U.S.-Japan relationship; anything less would encourage the Japanese to question the reliability of the American commitment.

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